



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

July 13, 2005

Steve Heaton
Cable Mountain, LLC
P.O. Box 369
St. George, Utah 894771

Subject: Conditional Approval of Transfer of Notice of Intention for Large Mining Operations and Form and Amount of Replacement Reclamation Surety, Cable Mountain, LLC, Rockwell (Pelican Point) Mine, M/049/011, Utah County, Utah

Dear Mr. Heaton:

On July 8, 2005, the Division approved the transfer of the Pelican Point Mine from Pelican Point Rock Products, Inc. to Cable Mountain LLC. *This approval transfers the responsibility of this mining operation and reclamation to Cable Mountain, LLC.* We have changed our records to indicate the new name of the mine as Rockwell Mine.

This transfer approval is conditioned on the submittal of an accurate disturbed area map. The map must be provided within 60 days of receipt of this letter.

Copies of the \$91,000 Irrevocable Standby Letter of Credit issued by Zions First National Bank as replacement surety for the Rockwell Mine, the signed and executed Reclamation Contract and transfer documents are enclosed for your files.


Pelican Point Rock Products is fully released of any further mining or reclamation obligations associated with this mine. You are now the official party responsible for all mining and reclamation obligations for this mining project.

Steve Heaton
Page 2 of 2
M/049/011
July 13, 2005

Please be aware that you must satisfy the School and Institutional Trust Lands Administration's requirements in making this change in ownership as well. We will forward a copy of the executed transfer form and surety documents, along with this letter, to them for their records.

Thank you for your help in finalizing this permitting action. Please call me or Lynn Kunzler if you have any questions in this regard.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. White".

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:jb
Enclosures: copies of RC, ILOC & Transfer
cc: John Blake, SITLA (ML-46040) w/enclosures
Utah County, w/enclosures
O:\M049-Utah\m0490011-pelicanpoint\final\Apv-trans-07132005.doc

COPY 1/6

FORM MR-TRL
(Revised September 2000)

For Division Use:
File No.: M/049/011
Effective Date: July 8, 2005
DOGM Lead: LMK

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

RECEIVED

TRANSFER OF NOTICE OF INTENTION
LARGE MINING OPERATIONS

APR 29 2005

DIV OF OIL GAS & MINING

--ooOoo--

1. (a) Notice of Intention to be transferred (file number): M/049/011
(b) Name of mining operation: PELICAN POINT ROCK PRODUCTS, INC.
(c) Location of mining operation (county): UTAH
(d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):
PELICAN POINT ROCK PRODUCTS
PO BOX 386 801-972-8353
LEHI, UTAH 84043
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):
CABLE MOUNTAIN LLC.
PO BOX 704 801-768-4820
LEHI, UTAH 84043
(b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:
STEVE HEATON 435-673-0411
PO BOX 369
ST. GEORGE, UTAH 84771
3. (a) The total number of disturbed acres permitted and bonded under the approved Large Mining Notice of Intention: 33.1 Acres

COPY

2/6

- (b) Complete Appendix "A"(attached), a legal description of the approved and bonded disturbed acreage (include: Township(s), Range(s), and section(s), to the 1/4, 1/4, 1/4 section, and the county).
 - (c) The actual number of acres disturbed by the mining operation through the date of this transfer: 33.1 Acres
 - (d) Attach a topographic map (labeled as Appendix "B") of suitable scale which clearly outlines the existing disturbed area boundaries through the date of this transfer (max. scale, 1 inch = 500 ft., 1 inch = 200 ft., or larger scale is preferred). Label disturbed areas as appropriate. **REFER TO DISTURBED AREA MAP ATTACHED TO THE RECLAMATION CONTRACT TITLED PELICAN POINT QUARRY DATED JAN. 26, 1998.**
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC) and an acceptable form of replacement reclamation surety.

COPY
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STATE OF UTAH)
COUNTY OF UTAH) ss.

SWORN STATEMENT OF TRANSFEROR

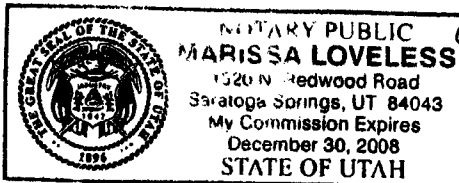
I, LANCE HEATON being first duly sworn under oath, depose and say that I am PRESIDENT (officer or agent) of PELICAN POINT ROCK PRODUCTS (Corporation/Company Name); and that I am duly authorized to execute and deliver the foregoing obligations; that I have read the said application and fully understand the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement I certify that the Transferor is in full compliance with the Utah Mined Land Reclamation Act, the Rules and Regulations promulgated thereunder, and the terms and conditions of Notice of Intention No. M/049/011

Signature

Name (type or print)

Title

Subscribed and sworn before me this 29 day of APRIL, 2005.



Notary Public

Residing at: SARATOGA SPRINGS, UT

My commission Expires:

Dec. 30, 2008.

STATE OF UTAH)
COUNTY OF UTAH) ss.

COPY
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FINAL SWORN STATEMENT OF TRANSFEREE

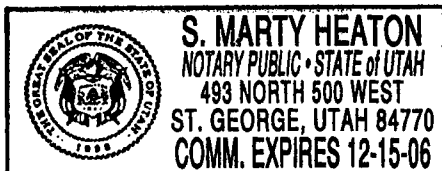
I, STEVE M. HEATON being first duly sworn under oath, depose and say that I am MEMBER MANAGER (officer or agent) of CABLE MOUNTAIN LLC (Corporation/Company Name); and that I am duly authorized to execute and deliver the foregoing obligations; that I have read the application and fully understand the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement, the Transferee agrees to be bound by the terms and conditions of Notice of Intention No. M/049/011, the Utah Mined Land Reclamation Act, and the Rules and Regulations promulgated thereunder.

[Signature]
Signature

Steve M. Heaton
Name (type or print)

Member Manager
Title

Subscribed and sworn before me this 29 day of APRIL, 20 05.



[Signature]
Notary Public
Residing at: St George UT

My commission Expires:

Dec 15, 20 06.

COPY 5/6


CERTIFICATION OF APPROVAL

This is to certify that I have examined the foregoing application and do hereby grant approval of same, subject to the following limitations and conditions:

- (a) This large mining permit transfer grants only the right to affect the lands as described in Appendix "A" (attached).
- (b) The transferee has provided to the Division a fully executed and signed Reclamation Contract (Form MR-RC) and an acceptable form of replacement reclamation surety. The surety shall be effective on or before the date of transfer.
- (c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired the legal right to mine said lands as described in Appendix "A".
- (4) A topographic map of suitable scale is attached (as Appendix "B") which clearly outlines and labels the existing disturbed area boundaries through the date of this transfer.

COMMENTS:

APPROVED:


John R. Baza, Director
Division of Oil, Gas and Mining

Effective Date: July 8, 2005
NOI No.: m/049/0110

APPENDIX "A"

COPY
6/6

[Signature]
New Operator
M/049/011
Permit Number

ROCKWELL formerly PELICAN POINT
Mine Name
UTAH County, Utah

The legal description of the lands to be disturbed is (Township, Range and section(s) to the 1/4, 1/4, 1/4 section):

W 1/2	SW 1/4	NE 1/4	NE 1/4
S 1/2	NE 1/4	NW 1/4	NE 1/4
	SE 1/4	NW 1/4	NE 1/4
E 1/2	NE 1/4	SW 1/4	NE 1/4
	NW 1/4	SE 1/4	NE 1/4
	SW 1/4	SE 1/4	NE 1/4
W 1/2	SE 1/4	SE 1/4	NE 1/4
W 1/2	NE 1/4	NE 1/4	SE 1/4
E 1/2	NW 1/4	NE 1/4	SE 1/4
NE 1/4	SW 1/4	NE 1/4	SE 1/4
NW 1/4	SE 1/4	NE 1/4	SE 1/4

SECTION 31, TOWNSHIP 6 SOUTH,
RANGE 1 EAST, UTAH COUNTY,
UTAH

COPY
1/7

File Number M/049/011

Effective Date July 8, 2005

Other Agency File Number ML-46040

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)
(Mineral Mined)

M/049/011
LIMESTONE

"MINE LOCATION":
(Name of Mine)
(Description)

ROCKWELL
1565 N REDWOOD ROAD
PO BOX 704
LEHI UT 84043

"DISTURBED AREA":
(Disturbed Acres)
(Legal Description)

33.1
(Refer to Attachment A)

"OPERATOR":
(Company or Name)
(Address)

CABLE MOUNTAIN LLC
PO BOX 369
ST GEORGE UT 84771

(Phone)

435 673 0411

RECEIVED
MAY 05 2005
DIV. OF OIL, GAS & MINING

COPY
2/7

"OPERATOR'S REGISTERED AGENT":

Name)
(Address)

(Phone)

STEVE HEATON
PO Box 369
St George UT 84771

"OPERATOR'S OFFICER(S)" & TITLE:

STEVE HEATON
MEMBER MANAGER

SURETY":

(Form of Surety - Attachment B)

LETTER OF CREDIT

"SURETY COMPANY":

(Name, Policy or Acct. No.)

ZIONS BANK
LOC # 75R801382

"SURETY AMOUNT":

(Escalated Dollars)

\$91,000

"ESCALATION YEAR":

2003

"STATE":

"DIVISION":

"BOARD":

State of Utah
Division of Oil, Gas and Mining
Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between CABLE MOUNTAIN LLC the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/649/od which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

COPY 3/7

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Reclamation Plan and/or Notice of Intention approved/accepted by the Division on August 2, 1996. The Reclamation Plan and/or Notice of Intention, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face

COPY 4/7

amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

COPY 5/7

OPERATOR:

CABLE MOUNTAIN LLC
Operator Name

By STEVE HEATON
Authorized Officer (Typed or Printed)

MEMBER MANAGER
Authorized Officer - Position

[Signature]
Officer's Signature

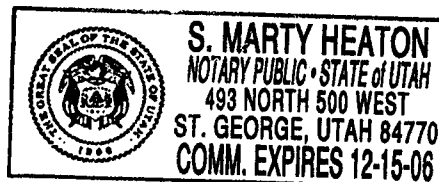
03 May 2005
Date

STATE OF UTAH)
COUNTY OF WASHINGTON) ss:

On the 3rd day of MAY, 2005, STEVE HEATON
personally appeared before me, who being by me duly sworn did say that he/she is the
MANAGER of CABLE MOUNTAIN LLC and duly acknowledged
that said instrument was signed on behalf of said company by authority of its bylaws or
a resolution of its board of directors and said STEVE HEATON duly
acknowledged to me that said company executed the same.

[Signature]
Notary Public
Residing at ST. GEORGE UT

12/15/06
My Commission Expires:



DIVISION OF OIL, GAS AND MINING:

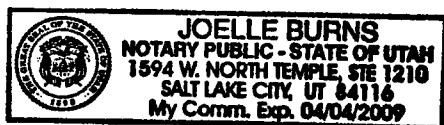
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By John R. Baza
John R. Baza, Director

Date 7/8/05

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 8th day of July, 2005, John R Baza
personally appeared before me, who being duly sworn did say that he, the said
John R Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.



Joelle Burns
Notary Public
Residing at: SLC Utah

April 4, 2005
My Commission Expires:

COPY 7/7

ATTACHMENT "A"

CABLE MOUNTAIN LLC

Operator

ROCKWELL

Mine Name

M 049 011

Permit Number

UTAH County, Utah

LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 33.1 acres under the approved / accepted permit and surety, as reflected on the attached map labeled PELICAN POINT QUARRY and dated 26 JAN 1998:

The legal description of lands to be disturbed is:

W1/2	SW1/4	NE1/4	NE1/4
S1/2	NE1/4	NW1/4	NE1/4
	SE1/4	NW1/4	NE1/4
E1/2	NE1/4	SW1/4	NE1/4
	NW1/4	SE1/4	NE1/4
	SW1/4	SE1/4	NE1/4
W1/2	SE1/4	SE1/4	NE1/4
W1/2	NE1/4	NE1/4	SE1/4
E1/2	NW1/4	NE1/4	SE1/4
NE1/4	SW1/4	NE1/4	SE1/4
NW1/4	SE1/4	NE1/4	SE1/4

Section 31, Township 6 South, Range 1 East
Utah County, Utah

RECEIVED**APR 29 2005****DIV. OF OIL, GAS & MINING****IRREVOCABLE STANDBY LETTER OF CREDIT NO. ZSB801382**

Date: April 28, 2005

COPY
1/5UTAH DIVISION OF OIL, GAS AND MINING
("DIVISION")
1594 WEST NORTH TEMPLE, SUITE 1210
P.O. BOX 145801
SALT LAKE CITY, UTAH 84114-5801

Dear Sir/Madam:

At the request of CABLE MOUNTAIN, LLC ("Operator"), 1455 NORTH WEST LAKE ROAD, LEHI, UTAH 84043, we, ZIONS FIRST NATIONAL BANK ("Bank") hereby establish our Irrevocable Standby Letter of Credit (the "Letter of Credit") in your favor up to an aggregate amount of Ninety One Thousand United States Dollars (USD91,000.00). This credit is available for payment against presentation of your draft(s) at Sight drawn on Zions First National Bank, bearing the clause: "Drawn under credit No. ZSB801382 of ZIONS FIRST NATIONAL BANK".

1. This Letter of Credit will expire upon the first event set forth as follows: (a) 5:00 o'clock p.m.. (Los Angeles time) on April 15, 2006, or (b) the date upon which sufficient documents are executed by the Division to release Cable Mountain, LLC ("Operator") from further liability for reclamation of the Rockwell Construction Products, No. M/049/011 with notice to Bank by the Division accompanied by the original Letter of Credit with directions for cancellation.
2. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless the Bank gives notice to the Division 90 days prior to the expiration date that the Bank elects not to renew the Letter of Credit.
3. Funds under the Letter of Credit are available against the Division's sight draft, in the form of Exhibit A, specifying Letter of Credit No. ZSB801382 delivered to the office of the Bank, Attn: International Operations 184-K11, One South Main Street, Salt Lake City, Utah 84111. At the Division's sole election, the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.
4. If the Bank receives the Division's sight draft(s) and certificate(s) as provided in Paragraph No. 3 above on or before the expiration or termination of this Letter of Credit, the Bank will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 3 of this Letter of Credit, available to the Division no later than the close of business, Los Angeles time, on the second business day following the Bank's receipt of the sight draft and certificate and in such a manner as the Division may specify.
5. The Bank will give prompt notice to the Operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Bank, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Bank's charter or license to do business.

6. The Letter of Credit be governed by the laws of the State of Utah shall be subject to the Uniform Customs and Practice of Documentary Credit, 1993 revision, International Chamber of Commerce Publication No. 500, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.

7. All communications regarding this Letter of Credit will be addressed to ZIONS FIRST NATIONAL BANK, International Operations 184-K11, One South Main Street, Salt Lake City, Utah 84111.

Sincerely,

Authorized Signature

Emma Montoro
Assistant Vice-President

COPY

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COPY 3/5

EXHIBIT A - SIGHT DRAFT

To
Letter of Credit Number _____

Date

Letter of Credit No.

City, County

PAY TO THE ORDER OF: **Utah Division of Oil, Gas and Mining**

DOLLARS

TO: **ZIONS FIRST NATIONAL BANK**
International Operations 184-K11,
One South Main Street,
Salt Lake City, Utah 84111

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

By: _____
Authorized Signature

COPY 4/5

EXHIBIT A - SIGHT DRAFT

To
Letter of Credit Number _____

Date

Letter of Credit No.

City, County

-

PAY TO THE ORDER OF: Utah Division of Oil, Gas and Mining

DOLLARS

TO: ZIONS FIRST NATIONAL BANK
International Operations
550 South Hope Street, 3rd Floor
Los Angeles, California 90071

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

By: _____
Authorized Signature

COPY 5/5

EXHIBIT B

To
Letter of Credit Number ZSB801382

I, _____ a duly authorized representative of the Utah Division of Oil, Gas and Mining, hereby certify that (1) the drawing in the amount of \$ _____, by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you is permitted under the provision of the Letter of Credit, (2) the Letter of Credit has neither expired nor terminated pursuant to its terms, (3) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount, and (4) the Utah Board of Oil, Gas and Mining, after notice and hearing, has entered an Order which has not been stayed, ordering forfeiture of the Letter of Credit No. ZSB801382, in accordance with applicable law. Proceeds of this drawing will be utilized in full to pay the expenses relating to the reclamation liability, together with the costs of collection, including attorney's fees, for the Rockwell Construction Products, No. M/049/011.

The Utah Division of Oil, Gas and Mining

By: _____
Authorized Signature

Date: _____